

POSTED
11-7-94
JA

BEFORE

THE PUBLIC SERVICE COMMISSION

SOUTH CAROLINA

DOCKET NO. 94-390-E

OCTOBER 12, 1994

S.C. PUBLIC SERVICE COMMISSION

RECEIVED
NOV 04 1994

ACCEPTED

Adm. CW 11-7-94
Legal 2AB 11-7-94
Enl. RBN 11-7-94
Trans. _____

IN RE:

Duke Power Company - Petition for)
Approval of Transfer of Property in South)
Carolina to South Carolina Electric & Gas)
Company and Petition for Declaratory)
Order by South Carolina Electric & Gas)
Company.)

STIPULATION AMONG
THE SOUTH CAROLINA
CONSUMER ADVOCATE,
DUKE POWER COMPANY,
AND SOUTH CAROLINA
ELECTRIC & GAS COMPANY

WHEREAS, the Parties to this Stipulation are the Consumer Advocate for the State of South Carolina ("Consumer Advocate"), Duke Power Company ("Duke"), and South Carolina Electric & Gas Company ("SCE&G"), all collectively referred to herein as the "Parties";

WHEREAS, the Parties represent all the Parties of record in Docket No. 94-390-E apart from the Staff of the South Carolina Public Service Commission.

WHEREAS, on July 17, 1994, Duke Power Company filed an Application for approval of disposition of Urquhart Internal Combustion Unit No. 3 located on Beech Island, South Carolina;

WHEREAS, on July 27, 1994, South Carolina Electric & Gas Company filed a Petition for Declaratory Order in the same docket seeking authorization to purchase Urquhart

S.C. PUBLIC SERVICE COMMISSION
RECEIVED
NOV 07 1994
RECEIVED
UTILITIES DIVISION

Internal Combustion Unit No. 3 from Duke Power Company and to include it in its rate base at its full purchase price;

WHEREAS, on August 18, 1994, the Consumer Advocate of the State of South Carolina petitioned to intervene in these dockets on behalf of rate payers in the State of South Carolina;

WHEREAS, the Parties have exchanged information concerning the proposed acquisition among themselves and the Staff of the South Carolina Public Service Commission, and have reached the following stipulations and agreements;

WHEREFORE the Parties stipulate and agree as follows:

1. The Parties stipulate and agree that the disposition of the Urquhart Turbine on the terms set forth in the Sales Agreement between Duke Power Company and South Carolina Electric & Gas Company, entered as of July 25, 1994, and pursuant to the terms set forth in its Petition in this matter may be authorized by the Commission pursuant to Section 58-27-1300 of the Code of Laws of South Carolina (1976), subject to the rights reserved below to the Consumer Advocate.

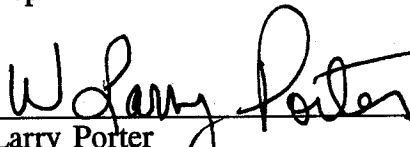
2. The Parties stipulate and agree that the Consumer Advocate shall retain the right to challenge the prudence of the acquisition of Urquhart Internal Combustion Unit No. 3 by SCE&G, and/or challenge the reasonableness of the purchase price of that unit, in the first retail rate proceeding filed by SCE&G subsequent to this Stipulation.

3. Subject only to the rights reserved to the Consumer Advocate above, the Parties stipulate and agree that South Carolina Electric & Gas Company should be allowed to book an acquisition adjustment related to its acquisition of Urquhart Steam Turbine Unit No.

3 sufficient to create a net increase in its rate base as a result of the acquisition equal to the full purchase price paid Duke of approximately \$1.1 million.

WITNESS our signatures below:

Nancy V. Coombs
Department of Consumer Affairs



Larry Porter
Duke Power Company


Belton T. Zeigler
South Carolina Electric
& Gas Company

3 sufficient to create a net increase in its rate base as a result of the acquisition equal to the full purchase price paid Duke of approximately \$1.1 million.

WITNESS our signatures below:


Department of Consumer Affairs

Larry Porter
Duke Power Company


Belton T. Zeigler
South Carolina Electric
& Gas Company